

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice CN-940

For: State and County Offices, CMA's, and LSA's

Researching and Resolving COPS Duplicate Bale Errors

Approved by: Deputy Administrator, Farm Programs



1 Overview

A

Background

COPS generates error code R030, "Duplicate Gin Code/Gin Tag", for cotton when more than 1 loan and/or LDP contains:

- the same bale, which is considered a "true" duplicate
- 2 unique warehouse receipts with the same gin tag number, which is considered a "false" duplicate.

COPS generates an e-mail informing the County Office, CMA, or LSA that the error condition exists and that corrective action is required.

If a duplicate condition exists between 2 CMA's or LSA's, ACRS generates the applicable duplicate error and the bale detail never reaches COPS. Therefore, no R030 error code is generated for these.

The following table shows the approximate number of COPS R030 errors as of July 2002.

Crop Year	R030 Errors
2001	6,500
2000	26,500
1999	28,500
1998	32,000
1997	200

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Disposal Date

December 1, 2002

Distribution

Cotton State Offices; State Offices relay to applicable County Offices, CMA's, and LSA's

1 Overview (Continued)

A

Background (Continued)

“True” duplicate errors commonly occur when bale records are not downloaded by the County from the CRTS database. Downloading the bale record places the State and county code on EWR in CRTS. This imprinting prevents another County Office or CMA/LSA from downloading the same bale for a subsequent loan or LDP and prevents a County Office, CMA, or LSA from submitting a duplicate EWR.

“False” duplicate errors are caused by the following circumstances, which may result in the second bale **not** being the duplicate:

- diskettes containing mis-keyed gin tag or warehouse receipt numbers
- different warehouses issuing warehouse receipts on 2 unique bales with the same gin tag number.

Currently, the only method to correct a duplicate error in APSS is to:

- delete the loan or LDP through “Corrections” and establish a receivable in the Common Receivables System for the loan amount or LDP **without** interest
- re-enter the correct loan or LDP as a manual transaction and use the check from the manual loan or LDP to repay that amount of the receivable
- demand repayment of any **remaining** receivable amount which represents the overpayment.

A future enhancement to the Loan Servicing Subsystem in APSS will allow the user to record a duplicate bale without first having to delete the transaction and re-enter it.

B

Purpose

This notice provides County Offices, CMA’s, and LSA’s with:

- policy about duplicate bale benefits
 - instructions for researching and resolving duplicate errors
 - County Office instructions for recording duplicate bales using the Shortage/Violation Process in Loan Servicing Subsystem until future software enhancements can be released to the field.
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2 Policy About Duplicate Bales

A

Determining Violations and Non-Violations

When duplicate benefits are provided, CED must:

- determine whether a violation may have occurred based on 7-CN, subparagraph 301 D
- refer any suspected violations to COC for a violation determination
- obtain repayments:
 - for violations, determined by COC, at principle plus interest plus liquidated damages
 - for non-violations, at principle plus interest without referral to COC.

Duplicated payments are to be considered a violation if the producer knew, or had reason to know, that an application would generate a duplicate benefit.

An example of a violation is when a loan or LDP benefit is provided under duplicated producer application to multiple County Offices or to both CMA or LSA and County Office.

Examples of a non-violation are:

- bale mis-identified by gin/warehouse without producer knowledge
- bale assigned to multiple producers by gin/warehouse
- bales misdirected by gin/warehouse
- County Office keystroke errors or other misaction/misinformation.

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2 Policy About Duplicate Bales (Continued)

B

Determining the Duplicate Benefit

County Offices, CMA's, and LSA's shall:

- research R030 error conditions according to paragraph 4
- determine which "true" duplicate is the duplicate benefit according to the following table.

IF the duplicate loans or LDP's are...	THEN...
in the same county	determine the duplicate as the last disbursed benefit.
between: <ul style="list-style-type: none"> • 2 or more counties • County Office and CMA or LSA 	<ul style="list-style-type: none"> • contact each County Office, and CMA or LSA, if applicable, to obtain the loan disbursement or LDP payment date for each transaction • determine the duplicate benefit as the last paid loan disbursement or LDP.

3 Corrective Action for R030 Errors

A

County Office Action

County Offices shall resolve R030 errors by:

- reviewing errors according to paragraph 4
- determining the duplicate benefit according to paragraph 2
- taking corrective action according to the following table.

IF the duplicate bale is a...	THEN...
“true” duplicate issued by the County Office	<ul style="list-style-type: none"> • record the duplicate bale in APSS for: <ul style="list-style-type: none"> • an LDP according to subparagraph 5 B • a loan according to subparagraph 5 A • notify the producer and collect overpayments according to paragraph 6.
“false” duplicate issued by the County Office	<p>provide documentation to the State Price Support Specialist supporting the determination. This documentation shall include:</p> <ul style="list-style-type: none"> • counties and/or CMA or LSA involved • loan or LDP number • date of disbursement • correct, and incorrect, if applicable, warehouse code, receipt number, gin code, and tag number • specific details about why the benefit is not a “true” duplicate, including verification from warehouse, gin, or buyers, overpayments or underpayments.
duplicate benefit paid by CMA or LSA	advise the State Price Support Specialist that duplicate benefits were paid by CMA or LSA.

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3 Corrective Action for R030 Errors (Continued)

B

CMA and LSA Action

CMA's and LSA's shall:

- work with County Offices in researching R030 error conditions
- resolve R030 errors that exist between CMA or LSA and a county by:
 - reviewing errors according to paragraph 4
 - determining the duplicate benefit according to paragraph 2
 - taking corrective action according to the following table.

IF the duplicate bale is a...	THEN...
"true" duplicate issued by CMA or LSA	<ul style="list-style-type: none">• report excess benefits by memorandum to Bruce Lake, Program Manager, PSD according to 1-CMA, paragraph 70• pay refunds upon demand according to 21-CN, Part 5.
"false" duplicate issued by CMA or LSA	<p>provide documentation to:</p> <p>Debra Goldberg KCAO, Analysis and Procedures Division P.O. Box 419205 Kansas City, MO 64141-6205.</p> <p>This documentation shall include:</p> <ul style="list-style-type: none">• counties and/or CMA or LSA involved• loan or LDP number• date of disbursement• correct, and incorrect, if applicable, warehouse code, receipt number, gin code, and tag number• specific details about why the benefit is not a "true" duplicate, including verification from warehouse, gin, or buyers, overpayments or underpayments.
duplicate benefit paid by a County Office	advise the State Price Support Specialist that the duplicate benefit was paid by the County Office.

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3 Corrective Action for R030 Errors (Continued)

C

State Office Action

State Offices shall:

- monitor County Office action as provided in this notice to ensure that duplicate error conditions are resolved as soon as possible
- assist with coordination between County Offices, CMA's, and LSA's in researching and resolving duplicate error conditions
- when notified that a duplicate benefit was paid by CMA or LSA, advise CMA or LSA to notify PSD of excessive benefits according to 1-CMA, paragraph 70
- request PSD assistance in resolving "false" duplicate error conditions by memorandum to Julie Floriani, Agricultural Program Specialist

Note: The memorandum shall include a summary of facts and documentation as provided by the County Office.

- **not** contact KCAO to lift or remove error codes.
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4 Researching COPS Error Code R030

A

COPS User ID's and Passwords

To access COPS, a user must have a user ID, password, and have been granted access to COPS. If the user:

- does not have a user ID and password, contact the State Office Security Officer through the State Price Support Specialist
- has a user ID and password, but does not have access to COPS, access the System Access Request under User Functions on the COPS Home Page and complete the form to be granted access
- has an expired password, contact FSA Security at either of the following telephone numbers to have the user ID reinstated:
 - 816-926-6537
 - 1-800-255-2434, Option 5.

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4 Researching COPS Error Code R030 (Continued)

B

Reviewing Error Condition

To obtain a list of loans for which error code R030 exists, access COPS according to the following table.

Step	Action	Result
1	Type the COPS Internet address, http://www.fsa.usda.gov/cotton into the address field on the Internet browser.	The COPS Home Page will be displayed.
2	On the COPS Home Page, click " Error Information " under the Price Support heading.	The Secure System Logon will be displayed.
3	Enter user ID and password. Click " Logon ".	The COPS Logon Confirmation Screen will be displayed.
4	On the COPS Logon Confirmation Screen, click " Continue ".	The Bale Error List Criteria Screen will be displayed with the county's or CMA's or LSA's State and county code shown.
5	To display the Bale Error List Screen: <ul style="list-style-type: none"> delete the dates displayed select error code R030 from the Error Code-Description drop-down list box crop year will be defaulted to 2002; choose the applicable crop year from the drop-down list box click "Summary". 	<p>The COPS Bale Error List: Summary by Error Screen will be displayed.</p> <p>This screen will show R030 error codes for the county or CMA or LSA by loan number.</p>

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4 Researching COPS Error Code R030 (Continued)

B Reviewing Error Condition (Continued)

Step	Action	Result
6	To print this screen: <ul style="list-style-type: none"> • click on "File" on the Tool Bar • select "Print Frame" from the File drop-down menu. 	A dialog box will open to print.
7	Click "OK" .	The screen listing all loan numbers containing error code R030 will print.
8	To view error bales, click the blue highlighted number under the "Number of Bales" heading for the selected loan or LDP.	The Bale Error List Screen will be displayed with a list of bales having the R030 error code for that loan or LDP.
9	To view each bale, click on the number under "Line No." heading.	The Bale Details window will be displayed.
10	On the Bale Details Screen, scroll to the bottom and click "Error Detail" .	<p>The Bale Error Detail window will be displayed with the loan or LDP numbers this bale is duplicated in and the entity with which the duplicate occurs to enable research.</p> <p>Click:</p> <ul style="list-style-type: none"> • "Print" to print the screen • "Close" to close the screen.

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4 Researching COPS Error Code R030 (Continued)

B
Reviewing Error
Condition
(Continued)

Step	Action	Result
11	To view the next error bale, scroll to the bottom of the Bale Detail window and click on the blue highlighted " Next List Record: 2 ".	The Bale Detail window for the next bale will be displayed. Repeat Steps 10 and 11 to view remaining bales.
12	To view error bales for another loan or LDP, click the Back arrow on the Tool Bar of the Bale Error List window.	The COPS Bale Error List: Summary by Error window will be displayed. View the next loan or LDP by repeating Steps 8 through 11.
13	To exit COPS, click on "Logoff COPS".	

5 Recording Duplicate Bales Using the Shortage/Violation Subsystem

A

Recording Duplicate Loan Bales

County Offices shall record duplicate bales for a cotton **loan** according to the following table.

Step	Action		Result
1	On Price Support Main Menu PCA005, select Option 8, "Perform Loan/LDP Servicing Functions". PRESS "Enter".		Menu PVA005 will be displayed.
2	On Menu PVA005, select Option 16, "Record a Loan/LDP Shortage/Violation". PRESS "Enter".		A series of screens will be displayed to select the loan or LDP.
3	On Screen PVA64000, answer "N" to the question, "Is this the recording of a shortage as a result of a spotcheck?". PRESS "Enter".		Screen PVA64000 will be redisplayed to enter: <ul style="list-style-type: none"> • demand date • discovery date.
4	Enter the current date as the demand date and the discovery date. PRESS "Enter".		Screen PVA64000 will be redisplayed to add the question, "Was good faith determined by the COC?".
5	IF the duplicate bale...	THEN ENTER...	Screen PVA64000 will be redisplayed to add the statement, "Enter "1" for a first offense or "2" for a second offense:".
	is a violation	<ul style="list-style-type: none"> • "Y", if COC determined good faith • "N", if COC did not determine good faith. PRESS "Enter".	
	is not a violation	"Y" and PRESS "Enter".	

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5 Recording Duplicate Bales Using the Shortage/Violation Subsystem (Continued)

**A
Recording
Duplicate Loan
Bales
(Continued)**

Step	Action		Result
6	IF the duplicate bale...	THEN...	Screen PVA65000 will be displayed.
	is a violation	enter applicable offense and PRESS "Enter".	
	is not a violation	ENTER "1" and Press "Enter".	
7	On Screen PVA65000, select: <ul style="list-style-type: none"> • all bales by answering "Y" to the question, "Are all receipts involved in the violation?" • specific bales by placing a "Y" in the "Sel" column for the applicable receipt number. PRESS "Enter".		Screen PVA66000 will be displayed.
8	IF the duplicate bale...	THEN ENTER...	Screen PVA66000 will be redisplayed to allow user to record adjusted liquidated damages and waiver authorization.
	is a violation	<ul style="list-style-type: none"> • "Y", if correct • "N", if incorrect. PRESS "Enter".	
	is not a violation	"N" and Press "Enter".	

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5 Recording Duplicate Bales Using the Shortage/Violation Subsystem (Continued)

**A
Recording
Duplicate Loan
Bales
(Continued)**

Step	Action		Result
9	IF the duplicate bale...	THEN enter...	Screen PVA66000 will be redisplayed to complete the process.
	is a violation	if applicable, <ul style="list-style-type: none"> the correct liquidated damages amount waiver authorization code. PRESS "Enter".	
	is not a violation	<ul style="list-style-type: none"> "0" as the liquidated damages amount "W" for the waiver authorization code. PRESS "Enter".	
10	Answer "Y" to the question, "Do you wish to complete this process?". PRESS "Enter".		The Loan Shortage/Violation Report will be printed.

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5 Recording Duplicate Bales Using the Shortage/Violation Subsystem (Continued)

B Recording Duplicate LDP Bales

County Offices shall record duplicate bales from an upland cotton **LDP** according to the following table.

Step	Action		Result
1	On Price Support Main Menu PCA005, select Option 8, "Perform Loan/LDP Servicing Functions". PRESS "Enter".		Menu PVA005 will be displayed.
2	On Menu PVA005, select Option 16, "Record a Loan/LDP Shortage/Violation". Press "Enter".		A series of screens will be displayed to select the loan or LDP.
3	On Screen PGA46000, answer "Y" to the question, "Is this the recording of a violation?". PRESS "Enter".		Screen PGA70100 will be displayed to enter: <ul style="list-style-type: none"> • demand date • discovery date.
4	Enter the current date as the demand date and the discovery date. PRESS "Enter".		Screen PGA30000 will be displayed to record COC good faith determination.
5	IF the duplicate bale...	THEN ENTER...	Screen PGA30000 will be redisplayed to add the statement, "Enter "1" for a first offense or "2" for a second offense:".
	is a violation	<ul style="list-style-type: none"> • "Y", if COC determined good faith. • "N", if COC did not determine good faith. PRESS "Enter".	
	is not a violation	"Y". PRESS "Enter".	

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5 Recording Duplicate Bales Using the Shortage/Violation Subsystem (Continued)

**B
Recording
Duplicate LDP
Bales
(Continued)**

Step	Action		Result
6	IF the duplicate bale...	THEN...	Screen PGA31500 will be displayed.
	is a violation	enter applicable offense and PRESS "Enter".	
	is not a violation	ENTER "1" and Press "Enter".	
7	On Screen PGA31500, select: <ul style="list-style-type: none"> all bales by answering "Y" to the question, "Are all receipts on the LDP involved in the violation?". specific bales by placing a "Y" in the "Sel" column for each applicable bale number. PRESS "Enter".		Screen PGA35000 will be displayed to allow the user to enter adjusted liquidated damages and waiver authorization.

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5 Recording Duplicate Bales Using the Shortage/Violation Subsystem (Continued)

B Recording Duplicate LDP Bales (Continued)

Step	Action		Result
8	IF the duplicate bale...	THEN...	If chosen, TSR report will print. Screen PGA35500 will be displayed.
	is a violation	if applicable, enter: <ul style="list-style-type: none">the adjusted liquidated damages amountwaiver authorization code. PRESS "Enter".	
	is not a violation	ENTER: <ul style="list-style-type: none">"0" as the adjusted liquidated damages amount"W" for the waiver authorization code. PRESS "Enter".	
	Enter "Y" or "N" to the question, "Do you wish to print a TSR Report?". PRESS "Enter".		
9	On Screen PGA35500, answer "Y" to the question, "Do you wish to complete this process?".		The following reports will print: <ul style="list-style-type: none">LDP Violation ReportMarket Gain Transaction Summary Report.

6 Collecting Overpayments Resulting from Duplicate Benefits

A

Producer Notification

County Offices shall notify producers of overpayments by sending a notification letter according to 7-CN, paragraph 42 D.

IF repayment is not received within...	THEN...
30 calendar days after the date of the notification letter	send the producer the first demand letter according to 7-CN, paragraph 42 E.
30 calendar days after the date of the first demand letter	<ul style="list-style-type: none"> transfer the overpayment from Price Support to claims using Option 7, "Transfer a Loan/LDP to Claims", from Price Support Loan/LDP Servicing Main Menu PVA005 establish a claim in Accounting according to 58-FI using: <ul style="list-style-type: none"> date of 1st demand letter as Interest Start Date basis code "10" discovery code "300" late payment interest according to 50-FI.